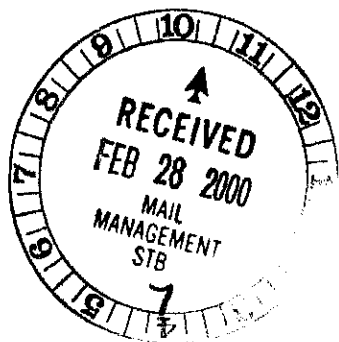
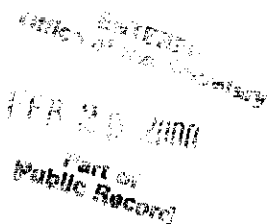


197084



February 23, 2000



The United States Surface Transportation Board
Office Of The Secretary
Case Control Unit, Attn: STB Ex Parte No. 582
1925 K Street NW
Washington, DC 20423-0001

RE: Ex Parte No. 582, Public Views on Major Rail Consolidations

Dear Secretary:

Minnesota Mining and Manufacturing Company (3M) manufactures well over 50,000 various products in 34 states and in more than 50 countries. 3M is a significant user of rail transportation, shipping over 23,000 carloads of our product with an annual rail freight expenditure exceeding \$30 million. My position, as Senior Rail Specialist, provides me an excellent overall view of the quality of services provided by the railroad industry in the United States.

I want to make it perfectly clear and up front that I generally support the end-to-end, no-overlap joining of two rail transportation companies, like the BNSF and CN, especially when they share a common technology system. I would anticipate a fairly smooth integration with little risk for service failures. I do have major concerns; however, with the potential downstream impact this merger will likely produce.

I feel the BNSF-CN merger may trigger additional rail mergers over the next couple of years. I have concerns that the nation's rail service, already adversely impacted by recent mergers, will continue its downward spiral. The nation's rail shipping public, especially those moving carload freight in general manifest train service, deserves far better rail service than they receive today. Every other mode of transportation utilized by the shipping public has agreed upon transit time standards for lanes served by the carrier. Measured transit times do not exist today for rail users unless you happen to ship unit trains of coal, grain or intermodal containers. I strongly support requiring carriers to make commitments on service on their systems and between their systems in the event of a merger and holding carriers to those commitments.

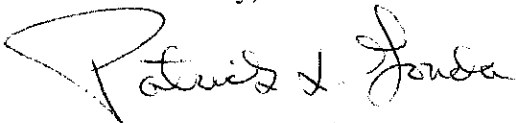
My customers must use general transit time averages when planning their production runs. That is a poor way to run a multi-million dollar business. The less than stellar rail service Norfolk Southern and CSX railroads are providing today in the East and Southeast is another sign that a return to good rail service, wherever you connect with these rail carriers, is at least several months away. While improvements in rail service are just beginning to show, this has been a long, expensive and resource-consuming process

for 3M and our customers. The rail shipping public must be able to see the light at the end of the tunnel on service. Any future rail mergers that may result from the BNSF-CN merger should also be required to make service commitments and meet high service standards to avoid continued poor service to the majority of our nation's rail users.

The railroad industry has made significant progress since deregulation. 3M does not want to return to the days of onerous government economic regulation of the nation's railroads. Open or forced access would not be the answer. The financial vitality of the railroads would quickly deteriorate if the government adopted policies that cut the railroads revenues and eliminate the ability for railroads to offer differing rates and provision packages to their customers. If the railroads were not able to reinvest in facilities and equipment, customers like 3M would surely have to assume the financial burden. At two of 3M's major rail shipping locations the serving railroads provide an excellent supply of good quality hopper cars for our loading needs. If 3M was forced to purchase or lease the rail equipment needed to serve our customers, it would place a huge financial burden on 3M. It would be even more devastating to smaller companies that utilize rail.

I support the STB's decision in the BNSF-CN merger proposal to thoroughly examine the short and long term effects this merger could have on the nation's rail transportation industry and the impact on service and other related issues to the rail shipping public.

Sincerely,

A handwritten signature in dark ink, appearing to read "Patrick L. Gonda". The signature is fluid and cursive, with a large initial "P" and a stylized "G".

Patrick L. Gonda
Senior Rail Specialist
3M Logistics/Transportation
3M Center - Bldg. 225-5N-07
St. Paul, MN 55144-1000